

Message Text

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ACTION ARA-10

INFO OCT-01 ISO-00 SAB-01 L-01 SS-14 SSO-00 INR-05
INRE-00 EB-04 SP-02 PRS-01 ARAE-00 /039 W
-----074501 062007Z /62
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FM AMEMBASSY PANAMA
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C O N F I D E N T I A L PANAMA 4844

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EO 11652: GDS
TAGS: PBOR, EFIN, PN, PQ
SUBJECT: TREATY NEGOTIATIONS - GOP REQUEST FOR FINANCIAL INFORMATION

SUMMARY: A GOP TASK FORCE FROM MINISTRIES OF PLANNING AND TREASURY HAS REQUESTED, AS A PART OF NEGOTIATING PROCESS, CERTAIN FINANCIAL DETAILS OF PANCANAL COMPANY/GOVERNMENT OPERATIONS ADDITIONAL TO INFORMATION CONTAINED IN ANNUAL REPORT FOR 1976. END SUMMARY.

1. CONFIRMING HINSON-BECKER TELECON 1130 7/6/77, EMBOFF RECEIVED A TELEPHONE CALL THIS MORNING FROM LIC. REINALDO DECEREGA, DIRECTOR OF ECONOMIC AND SOCIAL PLANNING AT MINISTRY OF PLANNING. PURSUANT TO GOP STUDIES ON TREATY NEGOTIATING ISSUES, A TASK FORCE UNDER HIS DIRECTION REQUIRED CERTAIN FINANCIAL INFORMATION RELATING TO PANCANAL COMPANY/GOVERNMENT OPERATIONS. AT DECEREGA'S REQUEST, EMBOFF MET SHORTLY THEREAFTER AT EMBASSY WITH TASK FORCE MEMBERS ORVILLE GOODIN, HECTOR ALEXANDER AND VIRGILIO RAMOS (FIRST TWO OF PLANNING MINISTRY, THIRD OF FINANCE AND TREASURY).

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2. THEY REQUESTED ADDITIONAL INFORMATION, INCLUDING INCOME BROKEN OUT BY MAJOR SOURCE, AND EXPENDITURE BY MAJOR TYPE (I.E., LABOR, PURCHASE OF GOODS AND SERVICES, DEPRECIATION, ETC.) FOR FOLLOWING SPECIFIC AREAS OF COMPANY/GOVERNMENT OPERATIONS:

A. PORT OPERATIONS, BROKEN OUT TO: OVERALL MANAGEMENT OF PORTS; SUPPLY (PROVISIONING) OF SHIPS; SALE OF GOODS AND SERVICES TO SHIPS; BUNKERING SYSTEM; INDUSTRIAL DIVISION SERVICES TO SHIPS OR IN PORTS.

B. PUBLIC UTILITIES, BROKEN OUT TO: ELECTRIC POWER, WATER, TELEPHONE SYSTEM (NOT TO INCLUDE COMPANY/GOVERNMENT INTERNAL TELECOMMUNICATIONS AND MICROWAVE SYSTEMS).

C. HOUSING OPERATIONS, TO INCLUDE BOTH U.S. AND LATIN AMERICAN COMMUNITIES.

D. "MARKETING" OPERATIONS, SUCH AS: RESTAURANTS, THEATERS, COMMISSARIES; RECREATIONAL ACTIVITIES SUCH AS BOWLING ALLEYS, ETC.

E. RAILROAD OPERATIONS.

3. THEY HAD OVERALL FIGURES FOR THESE ACTIVITIES AS PROVIDED IN PANCANAL ANNUAL REPORT FOR 1976, AND DESIRED DETAILED BREAKOUTS AND BALANCE SHEETS AS DESCRIBED WHICH UNDERLAY THESE OVERALL TOTALS FOR THAT YEAR.

4. THEY SPECIFIED THAT THEIR REQUEST WAS TO BE CONSIDERED BY U.S.G. AS HAVING BEEN PRESENTED AS A PART OF THE TREATY NEGOTIATING PROCESS. THEY HAD BEEN DIRECTED TO PREPARE A STUDY BY THURSDAY, JULY 7, AND ACCORDINGLY WOULD APPRECIATE RECEIVING WHATEVER INFORMATION COULD BE OBTAINED TODAY, JULY 6.

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5. EMBOFF OBSERVED PERSONALLY THAT MUCH OF THE REQUESTED INFORMATION WOULD BE DIFFICULT TO OBTAIN ON SUCH SHORT NOTICE, AS IT WAS NOT READILY AVAILABLE WITHIN PANCANAL ACCOUNTING SYSTEM, AND THAT CERTAIN ACTIVITIES (E.G., SALE OF GOODS AND SERVICES TO SHIPS) WERE LARGELY CONDUCTED BY PRIVATE ENTERPRISE. NONETHELESS, EMBASSY WOULD INFORM U.S. NEGOTIATING TEAM OF THEIR REQUEST, AND ADVISE THEM OF U.S. TEAM RESPONSE.

6. COMMENT: THEY DID NOT STATE PURPOSE OF THEIR STUDY, BUT FROM CONTENT OF QUESTIONS EMBASSY INFERS THAT THEY HAVE BEEN ASKED TO TRY TO DETERMINE THE EXTENT OF FINANCIAL BENEFIT WHICH WOULD ACCRUE TO PANAMA, AND EXTENT OF CORRESPONDING COSTS WHICH WOULD BE INCURRED, FROM DEVOLUTION TO PANAMA OF ACTIVITIES THEY IDENTIFIED UNDER A NEW TREATY. EMBASSY AGREES THAT USG SHOULD REGARD THIS AS A REQUEST MADE ON BEHALF OF PANAMANIAN NEGOTIATORS, CONSIDERS THE REQUEST UNDERSTANDABLE AND REASONABLE, AND RECOMMENDS THAT US DO WHAT CAN BE DONE TO FULFILL IT.

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Message Attributes

Automatic Decaptioning: Z
Capture Date: 01-Jan-1994 12:00:00 am
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Sent Date: 06-Jul-1977 12:00:00 am
Decaption Date: 22 May 2009
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
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Subject: TREATY NEGOTIATIONS - GOP REQUEST FOR FINANCIAL INFORMATION SUMMARY: A GOP TASK FORCE FROM MINISTRIES OF PLANN
TAGS: PBOR, EFIN, EWWT, PN, PQ, US
To: STATE
Type: TE
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